

**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF PUERTO RICO**

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<i>In re</i>	:	
	:	PROMESA
THE FINANCIAL OVERSIGHT AND	:	Title III
MANAGEMENT BOARD FOR PUERTO RICO,	:	
	:	
as representative of	:	Case No. 17-BK-3283 (LTS)
	:	
THE COMMONWEALTH OF PUERTO RICO,	:	(Jointly Administered)
<i>et al.</i> , <sup>1</sup>	:	
	:	
Debtors.	:	

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	:	
<i>In re</i>	:	
	:	PROMESA
THE FINANCIAL OVERSIGHT AND	:	Title III
MANAGEMENT BOARD FOR PUERTO RICO,	:	
	:	
as representative of	:	Case No. 17-BK-04780 (LTS)
	:	
PUERTO RICO ELECTRIC POWER	:	<b>Court Filing Relates Only to</b>
AUTHORITY (PREPA),	:	<b>PREPA</b>
	:	
Debtor.	:	

**VERIFIED STATEMENT OF THE AD HOC GROUP OF FUEL LINE LENDERS  
PURSUANT TO FEDERAL RULE OF BANKRUPTCY PROCEDURE 2019**

Pursuant to Rule 2019 of the Federal Rules of Bankruptcy Procedure

(“**Bankruptcy Rule 2019**”), this verified statement (the “**Statement**”) is submitted by certain

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<sup>1</sup> The Debtors in these Title III cases, along with each Debtor’s respective Title III case number listed as a bankruptcy case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the “**Commonwealth**”) (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“**COFINA**”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“**HTA**”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“**ERS**”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“**PREPA**”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747).

unaffiliated holders (the “**Ad Hoc Group of Fuel Line Lenders**”) of indebtedness pursuant to that certain credit agreement, dated as of May 4, 2012, among the Puerto Rico Electric Power Authority (“**PREPA**”), certain lenders, and Cortland Capital Market Services LLC (“**Cortland**”), as successor administrative agent<sup>2</sup> (as amended, the “**Credit Agreement**”), pursuant to which certain lenders made loans or otherwise extended credit (collectively, the “**Advances**”) to PREPA under a revolving line of credit.

In support of the Statement, the Ad Hoc Group of Fuel Line Lenders respectfully states as follows:

1. As of the date of this Statement, in the PREPA Title III Case, Wachtell, Lipton, Rosen & Katz (“**Wachtell Lipton**”) and McConnell Valdes LLC (“**McConnell**”, and together with Wachtell Lipton, “**Counsel**”) represent the Ad Hoc Group of Fuel Line Lenders (each holder in the Ad Hoc Group of Fuel Line Lenders, a “**Member**”). Wachtell Lipton and McConnell also represent Cortland as successor administrative agent under the Credit Agreement.<sup>3</sup> Filings in PREPA’s Title III case have been made on behalf of Cortland as administrative agent.

2. The Members hold, or are the investment advisors or managers of funds or accounts that hold, approximately \$511,950,000.00 in aggregate principal amount of the Advances under the Credit Agreement as of June 18, 2019, which represents approximately 93%

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<sup>2</sup> Scotiabank de Puerto Rico (“**Scotiabank**”) was the original administrative agent for the Credit Agreement. Effective May 17, 2019, Cortland replaced Scotiabank as administrative agent.

<sup>3</sup> Wachtell Lipton and McConnell also represent Scotiabank in connection with its role as predecessor administrative agent and former lender under the Credit Agreement. McConnell also represents certain non-Members in connection with debt issued by the Commonwealth and its instrumentalities, including issuers that are debtors under PROMESA Title III cases pending in this Court.

of outstanding Advances as of June 18, 2019.<sup>4</sup> In accordance with Bankruptcy Rule 2019, the name and address of each Member of the Ad Hoc Group of Fuel Line Lenders, and the nature and amount of disclosable economic interests held by each Member of the Ad Hoc Group of Fuel Line Lenders in relation to the Debtors are set forth in Exhibit A. The information contained in Exhibit A is based upon information provided by each Member of the Ad Hoc Group of Fuel Line Lenders to Counsel and is subject to change and supplementation.

3. No Member represents or purports to represent any other Member or entity in connection with the Debtors' Chapter 11 Cases. In addition, each Member of the Ad Hoc Group of Fuel Line Lenders (a) does not assume any fiduciary or other duties to any other creditor or person and (b) does not purport to act, represent or speak on behalf of any other entities in connection with the PREPA Title III case.

4. Nothing contained in this Statement (or Exhibit A hereto) is intended to or should be construed to constitute a waiver or release of any claims filed or to be filed against the Debtors held by any member of the Ad Hoc Group of Fuel Line Lenders. Nothing herein should be construed as a limitation upon, or waiver of, any rights of any member of the Ad Hoc Group of Fuel Line Lenders to assert, file and/or amend any proof of claim in accordance with applicable law. Counsel reserves the right to amend or supplement this Statement as necessary in accordance with Bankruptcy Rule 2019.

5. The undersigned verify that the foregoing is true and correct to the best of their knowledge.

6. The undersigned reserve the right to amend or supplement this Statement.

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<sup>4</sup> The amounts set forth herein include trades that had not settled as of June 18, 2019.

**I HEREBY CERTIFY** that I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which will notify case participants.

Dated: June 24, 2019

Respectfully submitted,

/s/ Nayuan Zouairabani

Nayuan Zouairabani  
USDC-PR No. 226411  
MCCONNELL VALDÉS LLC  
270 Muñoz Rivera Avenue, Suite 7  
Hato Rey, Puerto Rico 00918  
P.O. Box 364225  
San Juan, Puerto Rico 00936-4225  
Telephone: (787) 250-5604  
Facsimile: (787) 759-9225  
Email: nzt@mcvpr.com

/s/ Emil A. Kleinhaus

Richard G. Mason (admitted *pro hac vice*)  
Amy R. Wolf (admitted *pro hac vice*)  
Emil A. Kleinhaus (admitted *pro hac vice*)  
Angela K. Herring (admitted *pro hac vice*)  
Joseph C. Celentino (admitted *pro hac vice*)  
WACHTELL, LIPTON, ROSEN & KATZ  
51 West 52nd Street  
New York, New York 10019  
Telephone: (212) 403-1000  
Facsimile: (212) 403-2000  
Email: rgmason@wlrk.com  
arwolf@wlrk.com  
eakleinhaus@wlrk.com  
akherring@wlrk.com  
jccelentino@wlrk.com

*Attorneys for Cortland Capital Market  
Services LLC, as Administrative Agent*

**Exhibit A**

Name of Creditor <sup>1</sup>	Address	Debtor <sup>2</sup>	Nature and Amount of Disclosable Economic Interest <sup>3</sup>	
			Fuel Lines	Bonds/Other
<b>Anchorage Capital Group, L.L.C.</b> , on behalf of funds and/or accounts managed or advised by it.	610 Broadway 6th Floor New York, NY 10012	<b>Commonwealth<sup>4</sup></b>	--	\$0
		<b>HTA</b>	--	\$0
		<b>PREPA</b>	\$81,000,000	\$0
<b>Brigade Capital Management, LP</b> , on behalf of funds and/or accounts managed or advised by it.	399 Park Avenue 16th Floor New York, NY 10022	<b>Commonwealth<sup>4</sup></b>	--	\$124,239,000
		<b>HTA</b>	--	\$11,395,000
		<b>PREPA</b>	\$65,000,000	\$160,075,700
<b>Brookfield Asset Management Private Institutional Capital Adviser (Credit) LLC</b> , on behalf of accounts managed or advised by it.	Brookfield Place New York 250 Vesey Street 15th Floor New York, NY 10281	<b>Commonwealth<sup>4</sup></b>	--	\$15,485,000.00
		<b>HTA</b>	--	\$0
		<b>PREPA</b>	\$17,981,818	\$14,945,000

<sup>1</sup> Each entity listed holds disclosable economic interests, or acts as investment advisor or manager to funds and/or accounts or their respective subsidiaries that hold disclosable economic interests, in relation to the Debtors.

<sup>2</sup> Pursuant to paragraph 12 of the Amended Order and Judgment Confirming the Third Amended Title III Plan of Adjustment for COFINA (the “**COFINA Plan**”), Case No. 17-3284 [ECF No. 561], all COFINA bonds were cancelled on February 12, 2019. Members of the Ad Hoc Group of Fuel Line Lenders may hold new COFINA securities issued under the COFINA Plan. None of the Members have any disclosable economic interests in ERS as of June 18, 2019.

<sup>3</sup> To the best of Counsel’s knowledge, the information included herein is accurate as of June 18, 2019. The amounts set forth herein include only outstanding principal and do not include overdue interest, interest on overdue interest and principal, and accrued interest or other amounts that may be owing under the applicable debt documents and laws. In addition, the amounts set forth herein include trades that had not settled as of June 18, 2019.

<sup>4</sup> Includes bonds guaranteed by the Commonwealth of Puerto Rico that are issued by a Commonwealth instrumentality.

Name of Creditor <sup>1</sup>	Address	Debtor <sup>2</sup>	Nature and Amount of Disclosable Economic Interest <sup>3</sup>	
			Fuel Lines	Bonds/Other
<b>Davidson Kempner Capital Management LP</b> , on behalf of funds and/or accounts managed or advised by it.	520 Madison Avenue 30th Floor New York, NY 10022	<b>Commonwealth<sup>4</sup></b>	--	\$441,782,000
		<b>HTA</b>	--	\$142,652,627
		<b>PREPA</b>	\$139,993,182 \$13,000,000 (Citibank Facility) <sup>5</sup>	\$0
<b>Marathon Asset Management, LP</b> , on behalf of funds and/or accounts managed or advised by it.	1 Bryant Park 38th Floor New York, NY 10036	<b>Commonwealth<sup>4</sup></b>	--	\$0
		<b>HTA</b>	--	\$0
		<b>PREPA</b>	\$97,487,500	\$2,500,000
<b>Silver Point Capital L.P.</b> , on behalf of funds and/or accounts managed or advised by it.	Two Greenwich Plaza Greenwich, CT 06830	<b>Commonwealth<sup>4</sup></b>	--	\$44,634,000
		<b>HTA</b>	--	\$0
		<b>PREPA</b>	\$50,000,000 \$35,000,000 (Citibank Facility) <sup>5</sup>	\$93,591,680
<b>Solus Alternative Asset Management LP</b> , on behalf of funds and/or accounts managed or advised by it.	410 Park Avenue 11th Floor New York, NY 10022	<b>Commonwealth<sup>4</sup></b>	--	\$0
		<b>HTA</b>	--	\$0
		<b>PREPA</b>	\$60,487,500 \$98,041,914.24 (Citibank Facility) <sup>5</sup>	\$0

<sup>5</sup> Solus Alternative Asset Management LP (“**Solus**”), Davidson Kempner Capital Management LP and Silver Point Capital, L.P. hold, or are the investment advisors or managers of funds or accounts that hold, this amount of principal owing under that certain Trade Finance Facility Agreement, dated as of July 20, 2012, among PREPA and Citibank, N.A. (the “**Citibank Facility**”). Solus is separately represented by Simpson Thacher & Bartlett LLP in connection with the Citibank Facility.